(c) The Income-tax Law provides for initiation of prosecutions for offences including concealment of income. The initiation of such proceedings will be considered at the appropriate time after coming to a finding regarding the concealment of income.

WRITTEN ANSWER TO UNSTARRED QUESTIONS

Poor performance of private airlines

579. SHRI AHMED PATEL: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that private sector airlines have literally collapsed in the country depriving the air passengers of quality service and loss of revenue to the national exchequer;

(b) if so, the details thereof;

(c) whether Government have studied the reasons for this collapse of private airlines;

(d) if so, the findings thereof; and

(e) remedial measures Government propose to take in this regard?

THE MINISTER OF CIVIL AVIATION (SHRI ANANTH KUMAR): (a) and (b) A few private airlines viz. M/s. East West Airlines, M/s. Modiluft, M/s. NEPC Airlines and M/s Skyline NEPC Ltd. have suspended their operations due to various reasons, including non-availability of operational aircraft. However, M/s. Jet Airways, M/s Sahara India Airlines and M/s Archana Airways are operating scheduled air services.

(c) to (e) A Committee was set up to study the reasons for sickness of the private domestic airlines. The Committee has submitted its report only a few days back. These recommendations are being studied for taking follow-up action.

Observations on Kelkar Committee Recommendations

580. SHRI GOVINDRAO ADIK: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the 10 member Committee set up under the Planning Commission to study the Kelkar Committee recommendations has submitted its report to Government;

(b) if so, furnish details of the important observations/recommendations made; and

(c) the details of the action taken/proposed by Government for implementation of the same during 1998-99?

THE MINISTER OF CIVIL AVIATION (SHRI ANANTH KUMAR): (a) and (b) A Sub-Committee was set up under the Chairmanship of Principal Advisor (Transport), Planning Commission to consider financing of the restructuring plan in view of fiscal constratints and to examine alternative modalities. The Sub-Committee recommended the following: (i) A grant of Rs. 200 crores be given to Indian Airlines for losses incurred as a result of Government's decisions such as the grounding of the A-320 fleet, merger of Vayudoot and operations on uneconomic routes to meet the social obligations, etc.

(ii) A Rs. 125 crore equity injection by the Government as the present share capital of Rs. 105 crores was too slender for an aviation company of the size of Indian Airlines.

(c) A Note for Cabinet Committee on Economic Affairs is under process.

Modernisation of airports

581. SHRI SHIV CHARAN SINGH: Will the Minister of CIVIL AVIATION be pleased to state the details of the steps contemplated/undertaken for modernisation of airports both for Inland and International flights?